AUSTRIAN INFORMATION

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MILITARY PERMIT FOR WESTERN AUSTRIA ABOLISHED. On November 20 the Department of State announced in Washington that effective December 1, 1950, no military permits will be required of American citizens desiring to enter the Western zones of Austria. On the basis of a bilateral U.S.-Austrian agreement waiving visa requirements, citizens of the United States will be able to enter Austria on the sole strength of a valid American passport. However, for travel to Vienna American citizens will still require the Occupational Force Travel Permit (grey pass), which is their safe conduct through the Russian zone. Until January 1 this grey card will be issued free of charge at the Military Permit Office, 42 Broadway, New York, N.Y.; at the Temporary U-Building, Constitution Avenue, Washington, D.C.; and at all Military Permit Offices in Europe.

The United States, United Kingdom and French Governments have taken this step in abolishing the requirement of Allied Force permits into their zones of Austria, in accordance with their desire to normalize the relations between Austria and the occupation powers and to discontinue as far as possible all restrictive controls in Austria.

AUSTRIAN FOREIGN MINISTER DR. KARL GRUBER REVIEWS INTERNATIONAL SITUATION AND PRESENTS COMPREHENSIVE FOREIGN POLICY STATEMENT TO THE FINANCE AND BUDGET COMMITTEE OF PARLIAMENT. On November 15 Dr. Karl Gruber, Austrian Minister of Foreign Affairs, submitted a comprehensive report on the international situation and Austria's foreign policy to the Finance and Budget Committee of the Austrian Parliament. Dr. Gruber began his exposé by telling the legislators that international politics during the past six months had been dominated by two major events: the still unliquidated war in Korea and the developments at the United Nations designed to make the world organization a quicker and more effective instrument for the maintenance of peace. To restore international confidence and thus create the conditions favorable to a cessation of the armaments race, it will be necessary, Dr. Gruber said, gradually to solve those problems which have proved to be insoluble heretofore. And the practical problem which would best serve to restore such international confidence is the one pertaining to the Austrian State Treaty. Today, the Austrian State Treaty has technically reached the point where it is fully ready for signature. The only thing that is holding it up today are certain recriminations, such as for example the question of Trieste, which bears no relation whatsoever to the Austrian problem, as well as the further accusation that Austria, as it were, was intent upon pursuing a Fascist policy and that it was therefore necessary to incorporate in the Treaty stronger safeguards and controls against this alleged danger. The third obstacle in the way of the Austrian State Treaty, Dr. Gruber continued, was the question of the so-called "pea debts", namely the question of Austria's postwar debts. It was almost a year since the Austrian Government had presented concrete proposals to the Soviet Union for settlement of this matter. In spite of repeated notes of reminder to the Soviet Government and numerous personal intercessions on the part of members of the Austrian Government, it had not been possible to obtain a meritorious answer on this question. In spite of all these pretexts which were now delaying conclusion of the State Treaty, Dr. Gruber said, the latter was, nevertheless, the international problem on which progress had been greatest and which could therefore be settled most readily and without loss of prestige for any of the Great Powers. The Austrian people had well earned the priority they were demanding for the solution of the Austrian problem by the tremendous patience with which they had borne the occupation for five years. In fact, it was precisely in the Austrian question that none of the Great Powers was running any particular risk nor was the prestige of any one of them involved in any special way, because the Soviet Union's demands regarding the matter of German assets had also been satisfied. "It was one of my main tasks during my last trip to London, Washington and Paris, as well as during my visit to the United Nations," Dr. Gruber

said, "to assure this priority for Austria. We shall make every diplomatic effort to attain this goal. We cannot simply content ourselves with the fact that the Foreign Ministers or their deputies meet in London every three or four months, hold one session, reach no agreement and once again adjourn the meeting. It is clear that we must seek a new legal course". "This new course," the Austrian Foreign Minister continued, "lies in an appeal to the United Nations. But I do not believe that today these problems are already ripe for such a step. In the first place, we have not yet lost hope that we may yet reach a practical solution in the future, and, in the second place, there is hope that when negotiations begin again the representatives of the Great Powers will approach the Austrian question with a new incentive to find a solution. Only after all these possibilities are exhausted and we have sounded out all the members of the United Nations and asked them to lend us their support, only then will the time have come when we shall be compelled to appeal to the United Nations." But such an appeal to the United Nations, Dr. Gruber said, also presented another aspect. "Precisely in the light of recent events, which in our opinion undoubtedly revealed violations of the Control Agreement for Austria, we cannot overlook the fact that we may find ourselves forced to turn to the United Nations for such reasons as well. We may have to appeal to them to investigate the conditions in Austria, and, if necessary, submit all disputed issues between the Great Powers to the International Court of Justice for settlement; in short, to see to it that the Control Agreement is really observed." "In this case too," Dr. Gruber emphasized, "it is perfectly clear that we shall follow this course only if we are left no other alternative and are not given the opportunity to settle matters in Austria through local channels, such as discussion with the occupation power involved and the Allied Council. We shall continue to follow a course of realism and patience, although we shall naturally not be able to stand by silently and endlessly acquiesce in the procrastination of the Austrian question."

In the debate that followed the Foreign Minister's report, Deputy Pittermann declared in the name of the Socialists that the burdens with which the Austrian people would be saddled by the State Treaty were enormous. He welcomed the statement by the Foreign Minister that the latter did not in any way favor a violent solution of the Austrian question, and finally said that it would be desirable for the Austrian Government to also take a stand on the question of European federation without, however, entering into any close alliances. In his reply to the various queries from the Committee, Dr. Gruber also gave the government's view on the question of the Strasbourg Council of Europe. In this connection, he declared that Austria embraced the principle of a United States of Europe and that there was no doubt whatever that she intended to become a member of such a federation. "However," he added, "we must be cautious with regard to the timing of our entry into the Council of Europe and carefully weigh the advantages of such a move against any possible disadvantages. By our participation in the Marshall Plan we have shown that we want to cooperate with the nations of Europe. It will be primarily the duty of Parliament to decide whether the risks arising out of the participation in the Council of Europe are to be taken." Dr. Gruber cautioned, however, that such a step was not advisable at the present time. Finally, the Austrian Foreign Minister turned against the attempt on the part of certain elements to draw a parallel between Austria and Korea, and said that there was no question of any such a parallel. Korea was a country that had been evacuated and had been the victim of outright aggression premeditated and organized by the Communists. "To say that it would be equivalent to turning Austria into a second Korea were we to appeal to the United Nations as long as the occupation was still in force, is an untrue Communist allegation which we cannot oppose energetically enough."

Twenty-four hours after his comprehensive report to the Budget Committee of the National Assembly, Dr. Gruber was guest of the Austrian Press Club where he answered numerous questions put to him by Austrian and foreign newspapermen in connection with the State Treaty and his talks with Soviet political leaders, including Foreign Minister Vishinsky, in New York. He said that his talks with Soviet Foreign Minister Vishinsky did not justify any special optimism or any particular pessimism. He had merely presented the views of the Austrian Government in a forthright manner and Mr. Vishinsky had replied just as forthrightly. Particularly worthy of note had been the Soviet Foreign Minister's statement that the Soviet Government was also interested in

the observance of the Control Agreement. Dr. Gruber emphatically denied that there was any danger whatsoever that Austria would be partitioned. Even after withdrawal of the occupation troops it would be completely out of place to draw comparisons between Austria and Korea since Austria had a central government and a uniform currency. Of course the Austrian Government would have to continue to be vigilant. The State Treaty did permit Austria to set up an army of more than 50,000 men. These troops would be sufficient to guarantee internal peace and security. "Naturally," Dr. Gruber said, "these would not protect Austria in the event of a war. But in this respect no nation can depend entirely on itself. We hope that by the time the State Treaty is concluded the system of collective security will have been built up to a far-reaching extent." In closing, Dr. Gruber described the relations between Austria and Yugoslavia as absolutely satisfactory. They were characterized by the principle of noninterference, a principle of Austrian foreign policy which applied to Austria's relations with other nations as well. "Austria", Dr. Gruber concluded, "does not entertain any missionary ambitions; all she asks is that other countries too refrain from interfering in her domestic affairs."

AUSTRIAN FOREIGN MINISTER GRUBER REPORTS ON HIS TRIP TO THE UNITED STATES. On November 14, Austrian Foreign Minister Dr. Karl Gruber reported to the Austrian Council of Ministers on his latest trip to London, Washington, New York and Paris. He took the occasion to inform his colleagues of the present international situation and of its consequences for Austria's foreign policy.

In reply to a written inquiry addressed by several Socialist deputies to the Federal Government in the Nationalrat meeting of October 25, Chancellor Leopold Figl stated in the name of the government that prior to his latest trip to the United States Dr. Gruber had informed the administration that in view of the protracted delay in the State Treaty negotiations and in view of the obvious refusal of the Soviet Union to reply to the Austrian Government's proposals regarding the settlement of outstanding postwar debts, it was necessary for the government to study both the political as well as the legal possibilities of enlisting the support of world opinion, on the one hand, and, on the other, if indicated, of bringing the question of the Austrian State Treaty before the United Nations, the international organization which, under the provisions of its Charter, is qualified to settle conflicts between states. Dr. Figl told Parliament that the Council of Ministers had taken note of the Foreign Minister's report on October 3rd. An actual appeal to the United Nations would, however, still be subject to further decisions of the Federal Government. Nevertheless, the Minister of Foreign Affairs regards it as his duty to prepare world opinion at this time already for the fact that Austria could not silently put up with the endless procrastination in the State Treaty negotiations and that she would leave no stone unturned and take every possible legal and political step to bring about the re-establishment of Austrian sovereignty.

AUSTRIA DEMANDS THAT ALLIED COUNCIL CLARIFY CONTROL AGREEMENT. As reported in the preceding issue of the "Austrian Information" bulletin (Vol. III, No. 14 of November 15), the Austrian Federal Government addressed several notes to the Soviet High Commissioner in Austria following the collapse of the recent Communist strike attempt. In these notes it protested against such Soviet interference as the withdrawal order issued to Austrian police reinforcements by local Soviet commanders during the strike riots, and Soviet blocking of the removal of five Communist police chiefs in the Soviet zone who had refused to obey the orders of the Austrian Government. As all these protests were rejected by the Soviet High Commissioner in Austria as being "without basis", the Austrian Government felt compelled to request the Allied Council, in a note on November 13, to discuss this matter anew. In this note, the Austrian Government stated its fundamental understanding of the powers to which it and the Austrian authorities are entitled for the maintenance of peace and order, and requested the Allied Council to advise it whether the measures it had adopted were in any way contrary to any decisions or policy of the Allied Commission. The Austrian Government holds the view that the action it took during the recent strike disturbances was in the interest of safeguarding Democratic order in the country. The freely-elected Austrian Parliament had approved the measures adopted by the Federal

Government as a result of the strike riots and had thus given notice that, as the supreme Democratic organ of the nation, it demanded unconditionally that the country's laws be upheld against those who would violate them. The Federal Government, whose authority extends throughout all of Austria and is responsible to the Allied Council for the maintenance of law and order, is not conscious of having violated any international agreements pertaining to the re-establishment of Austria as a Democratic state by refusing to abet the violation of legal provisions which were adopted in a Democratic manner. Moreover, the Federal Government fails to see how the measures it adopted in connection with the strike disturbances are contrary to the policy of the Allied Commission as defined in Article 3 of the Control Agreement, the execution of which is solely within the province of the Commission as a whole and not within that of the individual powers. In this connection, the authority and competence of the individual occupation powers is fundamentally of a subsidiary nature only, as compared to the competency of the Allied authorities combined. The Austrian Federal Government has repeatedly proven by its actions that it is in a position to maintain peace and order and that, as such, it faithfully carries out all the decisions and directions of the Allied Commission.

VIOLATION OF AUSTRIAN CONTROL AGREEMENT CHARGED. On November 23 the United States sent a second protest to the Soviet Union against the latter's interference with the Austrian Federal Police and warned Russia of the "grave consequences" of continued violation of international agreements. On November 10 the Ambassadors of the United States, Great Britain and France had handed the Soviet Foreign Ministry identical notes protesting emphatically against Russian interference with the activity of the Austrian police. The notes specifically charged that the recent actions of Soviet officials were clearly a violation of the Allied Control Agreement for Austria of June 28, 1946. Under Article 3 (D), the Allied Council is bound to give full support to the Austrian Government in the exercise of the authority throughout Austria with which it has been invested by the Control Agreement. Interference with the police in the exercise of its duty cannot be reconciled with the aims of this Control Agreement. The notes therefore requested the Soviet Government to instruct its officials in Austria to refrain from interfering with the police measures of the Austrian Government.

SOVIET INTERFERENCE DENOUNCED IN AUSTRIAN PARLIAMENT. In the Nationalrat (Lower Chamber of Parliament) meeting of November 8, the Austrian People's Party and the Socialist Party addressed a joint inquiry to the Ministers of the Interior and Justice requesting them to submit to Parliament, as soon as possible, a report on the continued interference of the Soviet Occupation Power in the country's internal administration of justice, and Russian intermeddling in the disciplinary measures taken by the Austrian authorities against certain police officials. Such interference by the Soviet occupation authorities, the joint statement of the two Democratic parties said, was apt to shake the very foundations of the constitutional state. It represented an intolerable violation of Austria's sovereign administration of justice according to due process of law.

Austrian Minister of the Interior Oskar Helmer, Socialist, informed the Finance and Budget Committee of the Austrian Parliament on November 16 that in the first 10 months of 1950 the Russians had arrested or ordered the arrest of 235 Austrian citizens and that the fate of 67 of these was still shrouded in secrecy. During the past three years, he said, the Austrian Government had sent repeated notes to the Russians requesting information regarding the whereabouts of the 450 Austrians whom they had arrested during the period of the postwar occupation. To these notes the Russians responded in 111 out of 219 cases in 1948, only once in 1949, and not at all this year. Minister Helmer then presented a picture of the numerous instances this year, in which the occupation authorities had encroached upon purely internal Austrian affairs, such as their specific interference with administrative and personnel questions that are within the proper scope of Austria's internal jurisdiction and authority. This infringement of the Soviet authorities culminated in their intervention during the events of September and October, when the Soviet High Commissioner declared that the officials of the Vienna Police Headquarters, whom

the Austrian Government had ordered removed for violation of their duties, were nevertheless to remain in service. "Both the Chancellor and myself have emphatically stated that we could under no circumstances accept this viewpoint for which there is also no justification in the provisions of the Control Agreement. The disciplinary measures taken against Austrian police officials who failed to do their duty -- measures which are fully justified on the strength of Austrian legal provisions and, in the opinion of the Federal Government, also not contrary to the control agreement -- would therefore continue to be executed pursuant to Austrian law". Dr. Helmer went on to state that the government would continue to make every possible effort to obtain the abolition of mail censorship which the Allies had introduced in Austria and which he characterized as an outright disgrace. He revealed that the costs of this censorship in the Interallied Zone in Vienna and in the Soviet Zone of Austria currently amounted to some 13 million schillings, of which Austria herself had to pay the more than 7 million schillings devolving upon the Soviet share.

During the debate on the budget of the Ministry of Justice, Minister of Justice Otto Tschadek, Socialist, gave the Finance and Budget Committee a comprehensive report on the interference of the occupation powers with Austrian administration of justice. Up to November 15, 1950, there had been 527 interventions in judicial matters, namely 342 in civil law cases and 185 in criminal law cases. Of the 342 encroachments in matters of civil law, the Americans interfered twice, the British twice, and the Russians 338 times. Of the 185 interferences in matters of criminal law, the Russian occupation authorities were responsible for no less than 183. Austrian judges and public prosecutors, Dr. Tschadek said, had generally shown real courage in the matter of protecting the inviolability of court sentences. "Our judges do not have an easy time of it out in the Russian Occupation Zone. It is far from pleasant for them when they are ordered to Headquarters there to wait for hours on end with their documents without knowing whether or when they will be permitted to go home. It is far from pleasant when officers appear in the courtroom, remove vital papers and thereby make all further proceedings impossible." In this connection, the Minister of Justice appealed to all Austrians not to invoke the help of foreign powers to support a supposed right by their intervention. He would have to regard any such attempt to induce an occupation power to interfere with Austrian court decisions as an act of treason. In closing, Minister of Justice Tschadek declared that the Austrian Government would continue to stand up and fight for the freedom and independence of Austria's administration of justice with all the means at its disposal.

OCCUPATION COSTS PAID BY AUSTRIA NOW AMOUNT TO 5,683 MILLION. Up to October 1, 1950, Austria has had to pay a total of no less than 5,638 million schillings for occupation costs, according to a recent report released by the news service of the Austrian People's Party. Of this amount, 3,647 million were levied for military occupation costs, 828 million for civilian occupation costs, and an additional 1,163 million schillings had to be paid at the time the so-called military schillings brought into the country by the Allies were converted to the present currency. Even though direct occupation costs have decreased somewhat as a result of the fact that the United States waived payment of its share of these costs in mid-1947 and that the other powers reduced their demands in the last few years, indirect financial burdens resulting from the occupation and affecting not only the national budget but the country's entire economy have not decreased, but rather increased, during the last few months. As examples of such indirect costs due to the occupation, the news release lists, among others, the uncontrolled import and export of merchandise, primarily tobacco products; the loss of customs revenue, taxes and other compulsory payments to the state; the curtailment of tourist trade as a result of the continuing requisition of precisely the most important and best hotel facilities, etc.

In the debate on the 1951 budget, Deputy Dr. Migsch, chief spokesman for the Socialist Party, said: "What Russia has taken so far from current Austrian production in the form of occupation costs, dismantlings, and Austrian assets abroad has already cost Austria 1,094 million dollars."

People's Party Deputy Dr. Roth pointed out during the same budget debate that the Federal Ministry of the Interior, which is charged with the responsibility for the security of the entire Federal Republic,

had only 390 million schillings at its disposal for the entire year, whereas the annual burden of occupation costs amounted to as much as 525 million schillings. These two figures, he said, were in serious disproportion. Austria would have to continue her appeals to world opinion that she be permitted at last to give her executive branch of government such powers as the interest of the country's security required.

26,000 DISPLACED PERSONS HAVE EMIGRATED TO THE U.S.A. FROM AUSTRIA. Since the end of World War II a total of 25,865 displaced persons have emigrated from Austria to the United States, according to a recent statement by the DP Section of the U.S. High Commissioner's Office in Austria. This group of DP's is the largest of any of the groups which have left Austria and settled in another land since the end of the war. The second largest group of DP's who emigrated abroad is the one which settled in Australia. The third largest went to Canada. Both of these latter groups had reached a total of about 14,000 persons by October 1. By that date 106,279 displaced persons had left Austria for settlement in 59 countries of the world.

GROUP OF AUSTRIAN PRISONERS OF WAR RETURN FROM RUSSIA. On November 6 a transport of 441 Austrian prisoners of war from the Soviet Union arrived in Wiener Neustadt. The group included one general, 72 officers and 176 non-commissioned officers. Three hundred and forty-seven of the former prisoners were immediately sent on to Vienna. The remainder left directly for their homes in other parts of the country, chiefly in the southern provinces.

GRAZ STUDENTS DEMAND DISCIPLINARY MEASURES AGAINST TWO PROFESSORS. According to a report which appeared in the "Weltpresse", the Central Committee of the Austrian Student Association at the University of Graz has demanded that the Ministry of Education take measures against two professors at the university, Dr. Dobretsberger and Dr. Brandweiner, because the latter had recently addressed a Communist-sponsored "Peace Rally" in Graz and had permitted the use of their names on the posters for this Communist Party gathering. In their request the students pointed out that such behaviour was at variance with the general conception of how men of academic standing should deport themselves, and that it was incongruous with this conception for Austrian university professors to act as flunkeys for an ideology that is foreign to the Austrian mind and to take an active part in demonstrations which the broad public has long recognized as being propaganda undertakings. In the same proclamation the students also requested the university's Board of Professors to subject the cases of Dr. Dobretsberger and Dr. Brandweiner to immediate and close scrutiny.

AUSTRIAN 1951 BUDGET BEFORE PARLIAMENT. The 1951 ordinary budget estimate, which was introduced in Parliament by the Austrian Government in the last week of October, includes total expenditures of 11,793,448,000.00 Austrian schillings (as compared with 9,617,125,700.00 Aust. sch. in 1950) and a total revenue of 11,793,610,600.00 Aust. sch. (9,617,133,400.00 in 1950). The estimated surplus for 1951 is therefore 162,600.00 (67,700.00 Aust. sch.).

The extraordinary budget estimate includes expenditures for investments amounting to 701,231,900.00 Aust. sch. (1,078,164,500.00 in 1950), which will be covered by moneys from the (ECA) Counterpart Fund, while it is anticipated that additional sums needed will be available from excess revenue and less than estimated expenditures in the ordinary budget. At this time, the total deficit for both the ordinary and extraordinary budgets is estimated at 701,120,100.00 Aust.sch. (1,078,096,800.00 in 1950).

Of the total estimated expenditure 7,000,000,000.00 Aust. sch. (5,800,000,000.00) will be needed for administrative purposes, including 2,4 billion for personnel. Social welfare needs are estimated to require 1,9 billion (1,6 billion).

As far as revenues are concerned, it is hoped that direct taxes will bring in 2.7 billion Aust. sch. (2 billion); revenue from corporation taxes is estimated at 450 million (350 million), from the trade tax (Gewerbesteuer) at 800 million (530 million), from the occupation tax at 350 million (420 million), from sales taxes at 2,3 billion (1,7 billion), and from customs duties at 300 million (200 million).

Of the excise taxes, those on tobacco products are expected to bring in more than one billion (830 million), those on beer 150 million (110 million), and those on wine 70 million (as in 1950).

NO MORE COMPENSATION AGREEMENTS. Following the establishment of a single rate of exchange for the Austrian schilling to apply to all commercial transactions with foreign countries, the Austrian Federal Government has decided to abolish the system of foreign trade compensation agreements with varying rates of exchange. Exceptions to this new regulation will be permitted only during a transitory period, and to prevent serious losses to Austria's foreign trade which might otherwise occur. This measure had to be introduced in order to comply with the agreements concluded between the Austrian Federal Government and the International Monetary Fund, with a view to create a single rate of exchange and unify Austrian price levels.

THE U.S. HAS BECOME AUSTRIA'S SECOND BEST CUSTOMER. Austria's efforts to increase sales to this country in order to obtain dollars from commercial transactions rather than direct aid are beginning to bear fruit, as evidenced by official statistics just published in Vienna. In September, the United States was Austria's second best customer, right after the Federal Republic of Western Germany, a neighbor state. Austrian exports to the U.S. during the month amounted to 59 million Austrian schillings, five million more than Austrian exports to Switzerland and six million more than those to Italy, both of which countries border on Austria and are traditionally among her best customers. In Austrian trade circles it was considered equally significant that Austria's September exports to the United States were more than three times her September exports to Great-Britain, the latter amounting to 19 million Austrian schillings. Austrian exports to this country included rhinestones, knitted goods, novelties and many other articles in the production of which labor costs and Austrian handicraft played a leading role.

THE AUSTRIAN EXPORT FUND. Large orders from the United States, including $150,000 worth of men's wool socks, several thousand pairs of ski shoes, and quantities of ceramics, could recently be accepted by Austrian manufacturers thanks to Austria's newly created Export Fund Ltd., a government agency using a 25 million dollar revolving fund consisting of counterpart funds to bridge the gap that formerly prevented many large American orders from going to Austria's medium and smaller manufacturers. Entirely independent of large long-term industrial credits now possible under Austria's 500 million schillings Export Credit Law of August 13, 1950, the Export Fund operates solely with short-term credits of six to twelve months.

Special emphasis was given to the fact that the Export Fund will be as unbureaucratic as possible. Credits are granted or denied within as short a time as ten days. Credit requests are being routed via the applicant's bank which in turn assumes a guaranty for 20% of the loan. The policy of the Export Fund, as laid down in its published rules and regulations, is specifically not to consider credit requests solely from the viewpoint of available assets, but mainly from the business-like viewpoint of a firm's reputation and actual possibilities in regard to the order for which a credit is requested. In order to reduce risks, the Fund reserves the right to control the quantity, quality, packaging and shipping of the goods in cases where payment of letters of credit depends upon exact fulfillment of agreed terms. Up to the end of October, the Export Fund had received 40 requests for short-term credits, including many pertaining to transactions with this country. All were granted.

AUSTRIAN WOODEN HOUSES IN WORLDWIDE DEMAND. Wooden frame houses from Austria, the availability of which for the United States was recently announced by the Austrian Trade Delegate, have created worldwide interest. Austrian manufacturers of wooden houses emphasized that wood is one of the few raw materials in ample supply in Austria and that orders of any magnitude can be executed. Australian representatives of Austrian wood-house builders announced that an initial order for 3,000 Austrian frame houses had been increased to 6,000 units. A credit of 14 million Austrian schillings from the Export Fund has been requested by the Austrian manufacturers who will finance subsequent shipments themselves.

AMERICAN AID TO INCREASE AUSTRIAN PRODUCTIVITY. Thirty-six American film shorts on American industrial and agricultural achievements are now available in Austria, it was reported by the Austrian Productivity Center, a non-profit organization coordinating efforts in Austria to increase industrial and agricultural productivity. The films, which will be shown in many parts of the country, are part of the American-supported technical assistance program under which many Austrian firms are now having their products analyzed by American experts to determine modernisation of methods and products as well as improvement of quality. American authorities in Austria and in this country are cooperating fully in this effort, in order to ensure Austria's competetiveness in world markets against the day when American direct aid will come to an end. Under the program, American technical magazines and pertinent statistics are also made available to Austrian industry and agriculture. A delegation of four Austrian agricultural experts, who recently returned from an ECA-sponsored tour of agricultural districts in the East, Middle West and South, is now preparing a report for Austrian farmers with detailed demonstrations as to how Austrian agricultural methods can be modernized and higher yields obtained.

AMERICAN PAPER MACHINE FOR AUSTRIA. A more adequate quantity of packaging materials for European consumer goods and army field rations will be supplied through a Marshall Plan industrial project in Austria, the Economic Cooperation Administration in Washington announced on November 2, 1950.

The project provides for the modernization and expansion of a paperboard mill at Frohnleiten, Styria. ECA financing, amounting to $580.000 will be used for the purchase of a new cylinder paperboard machine in the United States. With the new machine and the installation of supplemental equipment to existing machinery, the mill output of folding box board and container board is expected to increase from the 1950 rate of 7,500 tons per year to 19,500 tons.

The ECA financing amounts to about 48 percent of the total cost of the project, which is estimated at the equivalent of $1,189,000.

Austrian Industries which require more packaging materials include the tobacco, food processing and soap industries. There is also a general European demand for paper board products to be used for food and other items requiring packaging. In addition, the Frohnleiten mill's output can be made into boxes for army field rations.

The increase anticipated as a result of the project is expected to meet domestic Austrian demands and also provide about 6,000 additional tons per year for export. The foreign exchange earnings from the exports, it is estimated, will reach the equivalent of about $652,000 a year.

The Austrian request for the project was approved after a team of American technicians visited the Frohnleiten mill and made certain suggestions for more efficient operations, which are now being put into use.

AUSTRIAN STEEL PRODUCTION TO BE RAISED TO 1.3 MILLION TONS. By modernizing her iron and steel plants and by increasing her iron ore output, Austria plans to raise the annual production of raw steel to 1.3 million tons within the next two or three years.

A $7,380,000 steel blooming mill, constructed with the help of ECA, was formally opened in the Alpine Montan steel plant at Donawitz, Styria, on November 22nd. The new installation is expected to end the chief bottleneck of the Austrian steel industry. If projected installations for the United Austrian Iron and Steel Works are also carried out, direct United States aid to the Austrian iron and steel industry will have reached a total of $30,000,000 over a period of four years.

RECORD COAL OUTPUT IN OCTOBER. With 411,245 tons in October, Austria's coal mines reached their highest monthly output. This compares with 332,000 tons in October 1937, and represents an increase of approximately 28 per cent.

MODERNIZATION OF AUSTRIA'S MAGNESITE INDUSTRY PLANNED. A planned modernization of Austria's magnesite industry will result in an estimated 15% price reduction, one of Austria's leading trade newspapers INTERNATIONALE WIRTSCHAFT recently announced. Investments amounting to 90 million Austrian schillings will be made in order to carry out

the modernization; 80% of the sum will be raised by the industry itself. It is estimated that more modern manufacturing methods alone will bring about ten per cent of the planned reduction, while an additional price cut is expected to follow resolute efforts to introduce greater productivity. It is hoped that the investment program, which will be carried out until 1952, will result in gradual but substantial increases in Austria's dollar revenue which, in the final stage, is estimated at approximately 2 million dollars. Ten million Austrian schillings of the total investment of 90 million will be drawn from the ECA Counterpart Fund for Austria.

NEW AUSTRIAN ELECTRIC LOCOMOTIVES. The first electric locomotive built in Austria since the war has completed its trial runs in the Tauern mountains between Salzburg and Villach, the terminals of one of Europes most famous scenic lines. The new engine is an improved version of the Austrian prewar standard electric locomotive, whose performance it exceeds by approximately 34%. An additional 30 of the new locomotives have been ordered and will be delivered at regular intervals. Each locomotive costs 3,2 Million Aust. sch. (appr. $150,000).

"MOTOR-MULES" FROM AUSTRIA. A new tractor, capable of negotiating steep slopes in mountainous country, has been developed by an Austrian firm and will go into mass production soon. The tractor can be run on caterpillar tracks or on wheels and has an overall width of 54 inches, enabling it to crawl through narrow passes and to keep its balance on small ledges. One model has a 25 HP two-cylinder Steyr Diesel engine; the other, a 60 HP four-cylinder motor of the same Austrian make. Overall weight is approximately three tons. Nicknamed "Motor-Mule," the tractor can be used for traction purposes as well as freight transportation.

AUSTRIAN BICYCLES FOR MEXICO. An initial order for 2,000 Austrian bicycles was received from Mexican importers, it was reported from Vienna. The bidding on this contract was in sharpest competition with British firms. Also included in the order were 50 Austrian motorcycles of the same type already successfully introduced in the United States. Manufacturers of the bicycles and motorcycles are the Steyr-Daimler-Puch-Werke in Steyr, Upper Austria.

AUSTRIAN AGAIN EXPORTING CANDY. Austria's candy and sweets industry - world-famous for more than a century - has slowly begun to recover from the after-effects of the war and is re-establishing its traditional foreign markets. An order was recently received from Portugal for a typical Austrian sweets specialty "Napolitan bars," (a special kind of chocolate wafer) amounting to approximately $50,000.

AUSTRIAN FASHION CREATES SENSATION. Firm orders for Austrian ladies fashions amounting to approximately $200,000 were received during and immediately following an Austrian fashion exhibit recently shown in Sweden, Finland, Denmark, the Netherlands and Western Germany, it was announced in Vienna. The fashion show, which was under the auspices of the Austrian Federal Chamber of Commerce's Institute for the Development of Trade, was also seen by numerous buyers from countries not visited this year. American buyers who saw the Austrian fashions were said to have been highly impressed by the new Austrian styles, and it is reported that negotiations concerning a million-dollar deal are now under way. Holland is negotiating for half a million guilders worth of Austrian fashion goods. A new showing of Austrian fashions in London is planned. While plans for a showing of Austrian styles in this country have not yet been formulated, the Austrian Trade Delegate (25 Broad Street, New York 4, N.Y.) invites American fashion houses to contact his office for information and suggestions concerning future Austrian fashion exhibits in the United States.

AUSTRIAN TRADE PAPER AVAILABLE. A limited number of one of Austria's leading weekly trade papers, "Internationale Wirtschaft", may now be obtained free of charge at the office of the Austrian Trade Delegate, 25 Broad Street, New York 4, N.Y., it was announced. The "Internationale Wirtschaft" is published in the German language, but contains special columns in English as well as in French and other languages, giving an extensive resume of the most interesting facts. The weekly

carries a supplement issued by the Austrian Federal Chamber of Commerce, in which a wealth of valuable commercial information including Austrian trade leads is published.

PRESIDENT RENNER INAUGURATES BOOK WEEK AT VIENNA STATE OPERA. The third Book Week organized by the Association of Austrian Book Dealers was ceremoniously opened by Federal President Dr. Karl Renner in the rebuilt foyer of the Vienna State Opera on November 11. On the occasion, Dr. Renner said, among other things: "At first the Second Republic had to devote all its energy to the struggle against material want and to the arduous task of establishing a new public order. It was forced to close an eye to the spiritual drought and to the demands of the arts and sciences. But gradually our people regained their inherent cultural freedom to attend to their higher, their cultural interests. In awakening these, their main ally is the book. Austria's book exhibitions have contributed immeasurably to the awakening of the mind and to the people's craving for intellectual nourishment. The Second Republic can now finally begin to give the intellectual its attention and make available to him some of its means. This change is illustrated by the fact that we are able to meet here in the restored halls of the Vienna State Opera."

NEW WORK ON THE AUSTRO-HUNGARIAN EMPIRE. The Columbia University Press in New York recently published a new two-volume work by Dr. Robert A. Kann, "THE MULTINATIONAL EMPIRE, Nationalism and National Reform in the Habsburg Monarchy, 1848-1918." This work studies the development of the nationality problem within the polyglot Austrian Empire during the last century of its existence. The author is concerned both with the attempts to balance the demands of the various nationalities and with the proposals for reform of the Empire on a supranational basis. Dr. Robert A. Kann, Assistant Professor of History at Rutgers University, received his Doctorate of Law at the University of Vienna in 1930. He was a Research Assistant at the Institute for Advanced Study in Princeton, New Jersey, in 1941-1942 and a member of the School of Economics and Politics of the Institute of Advanced Study from 1943 to 1945. Since 1946, when he received his Ph. D. degree from Columbia University, he has been teaching college courses in European history, comparative government, and international relations. In 1949 Dr. Kann was appointed a Guggenheim Fellow with the assignment to write a cultural history of Austria in modern times.

CITY OF VIENNA DECIDES TO ERECT JOINT CENOTAPH FOR SOCIALIST LEADERS. In its session of November 7, the City Senate of Vienna decided to erect a joint cenotaph for the great leaders of the Austrian Socialist Party, Engelbert Pernerstorfer, Dr. Viktor Adler, Mayor Karl Seitz and Dr. Otto Bauer. At the same meeting the City Senate approved another motion to the effect that the urns of Hugo Breitner, Prof. Dr. Julius Tandler and Dr. Robert Danneberg, who had made outstanding contributions to the social welfare of the City of Vienna following World War I, be given a common burial. The urn of Hugo Breitner was recently transferred to Vienna from the United States where the well known Socialist leader died.

BODY OF RABBI CHAJES TRANSPORTED TO ISRAEL. On November 10 the mortal remains of Chief Rabbi Prof. Dr. Chajes, whose body had been laid at rest in Vienna's Central Cemetery, left Austria for Israel. The coffin was accompanied by his 22,000-lb. tombstone.

SOME ADVANCE PROGRAM NOTES ON NEXT YEAR'S SALZBURG FESTIVAL. In 1951 the Salzburg Festival will offer new productions of three operas: Mozart's "Idomeneo", Alban Berg's "Wozzek" and Verdi's "Othello". The new production of "Idomeneo" will be presented on opening night. "Othello" is to be under the musical direction of Wilhelm Furtwaengler and "Wozzek" presumably under that of Karl Boehm. According to present plans, Furtwaengler will also conduct Mozart's "Magic Flute", the only repeat from the program of previous years. The Vienna Burgtheater company is scheduled to stage a new production of Calderon's "Mayor of Zalamea" for the coming Festival.

AUSTRIAN MUSIC ARTISTS PERFORM ABROAD. The Vienna Boys Choir, which will come to the United States some time in December for several months of guest performances, gave a series of concerts in London during the

month of October under the auspices of the Anglo-Austrian Society. The concerts, all of which were sold out, were very warmly received by public and music critics alike.

The orchestra of the Salzburg Mozarteum will shortly give four concerts in Paris under the baton of the American conductor J. Sternberg. Following its appearance in the French capital, the Mozarteum Orchestra will make a guest tour of Spain and Portugal.

GALA BALLET PERFORMANCE AT THE VIENNA STATE OPERA. At the end of the year the ballet of the Vienna State Opera will present the premiere of the ballet, "Homeric Symphony", by the Austrian contemporary composer Theodor Berger. A new production of Stravinsky's "Firebird" will also be given on the same evening. Both works will be under the musical direction of Rudolf Moralt. Erika Hanka, director of the Vienna Opera ballet, has undertaken to do the choreography.

AUSTRIAN TELEPHONE SERVES ELECTRICAL INDUSTRY. The Austrian Telephone Company, which is a division of the Austrian Postal Service, recently introduced two unique features intended to serve the special needs of Austrian firms manufacturing musical and electronic instruments of various kinds. Vienna telephone owners dialing B 34-504 can now hear a shrill siren-like tone which, in technical terms, constitutes the exact sound frequency of one thousand Hertz. The tone is controlled by and emanates from the Austrian Bureau of Standard's quartz-clock, and is guaranteed to be correct within one tenth of a million of one Hertz scale degree. While this innovation is mainly destined to serve the many Austrian manufacturers of radio and electronic articles, another dial number (A-069) produces automatically the musical note "A" (440 Hertz) for the benefit of any musician or musical manufacturer who wants to ensure accurate tuning of his instruments.

AUSTRIA AS A CENTER OF MOTION PICTURE PRODUCTION. Today Austria has extensive film production facilities with many studios that are so well equipped that they can satisfy even the most exacting demands. In addition to the Rosenhuegel studios, which have been requisitioned by the Soviet occupation authorities as a USIA (Soviet-controlled) enterprise, the Western zones of Vienna have a number of equally modern studios in Sievering, Schoenbrunn and Grinzing. These are equipped with synchronizing, print copying and other installations which belong to the Wien-Film Company, successor to the former Tobis-Sascha Company. Likewise available for motion picture production are the studios of the Austrian Film Company at Thiersee near Kufstein, in the Tyrol (French Zone). This company also has other facilities for filming in the vicinity of Salzburg. In Thalerhof near Graz, in Styria (British Zone), a former aircraft hangar has been converted into a film studio which belongs to the Alpenfilm Austria Company. The country's film studios have a combined production capacity of 35 full-length motion pictures per year.

According to a report by the well known producer Erich Neusser, which appeared in the publication "Filmkunst", the total cost of producing a short film (about 1300 feet) in Austria today amounts to about 887,000 schillings (between 40,000 and 41,000 dollars); the total cost of producing a medium-length film (about 8800 feet) to about 1,764,000 schillings (some $80,000) and the total cost for a full-length major production (about 13,000 feet) to 3,581,000 schillings (or between 162 and 163,000 dollars). A breakdown of the cost of a major motion picture is as follows: 41.4% for studio facilities and sets, 30% for salaries, 10.7% for outdoor scenes, 6.6% for the raw stock and printing, 1.1% for copyrights and scenarios, 2.1% for insurance, 0.1% for travelling expenses and 8% for miscellaneous costs.

AUSTRIA CONCLUDES NEW FILM AGREEMENT WITH WESTERN GERMANY. Reprensentatives of the Association of Austrian Film Producers and delegates from Western Germany's film companies recently concluded a new film agreement in Frankfurt-am-Main. On the basis of the agreement, import licenses will be granted for 20 Austrian pictures to enter Western Germany between September 1, 1950 and August 31, 1951, in return for which Austria will grant import licenses for 100 new West German films. The proceeds derived from the showing of these Austrian and German motion pictures will be freely transferred from one country to the other within the broader framework of the trade and payments agreement between Austria and Western Germany. The money will be converted at an exchange rate of 5.08 schillings for each DM (German mark).

AUSTRIA POSSESSES EXTENSIVE EDUCATIONAL FILM FACILITIES. Austria's leading international position in the field of educational films was clearly reflected by the success her films achieved at the Venice Film Biennial. Austria has remarkably extensive film and lantern-slide facilities for educational purposes. The organization of these facilities covers the entire country with a network of 7 photo and film libraries on the provincial level and 96 libraries at the district level. The 6,000-odd schools in the country have more than 2,000 projection machines at their disposal. Forty percent of these machines were acquired after 1945. Every Austrian school teacher, from elementary school to junior college, is entitled to borrow free of charge educational films and projection equipment for use in his school from the film library within whose area the school lies. He has a choice of 430 different educational films which are available in 24,000 prints.

AUSTRIAN FILM EXPERT IN TURKEY TO ORGANIZE EDUCATIONAL FILMS. Some time ago the Turkish Government requested UNESCO to recommend an advisor for the organization of Turkey's educational film production. The world cultural agency asked Prof. A. Huebl, director of the Austrian Federal Office for Educational Films, to accept the assignment.

ERP FUNDS TO PAY FOR NEW AUSTRIAN HOTELS. The Chairman of the Section on Tourism of the Austrian Federal Chamber of Commerce recently revealed some interesting facts on the current program for the expansion and modernization of Austria's tourist facilities. Large ERP credits have already been alloted for the modernization of existing hotels. By mid-October 68.5 million schillings had already been released for this purpose. The present program involves 12,000 sleeping accomodations. In addition, the larger project includes the erection of new hotels in the more important tourist centers, in order to make such particularly beautiful landscape attractions as the Montafonertal in the Vorarlberg more appealingly accessible to foreign tourists. New hotels are also planned on the Arlberg and in Kuehtai. Near the Central Railroad Station in Innsbruck the old Europa Hotel, which was almost completely destroyed during the war, is now being rebuilt. Bad Gastein will receive a new spa hotel and the City of Salzburg, where the demand for hotel accomodations is particularly great during the Festival period, will also have to increase its facilities with the erection of new hotels. A large hotel is also planned somewhere near the Central Railroad Station in Linz in order to accomodate transient travellers. New modern hotels are also urgently needed in Vienna.

ROYAL NETHERLANDS FAMILY WILL AGAIN VISIT ST. ANTON. It is reported from St. Anton am Arlberg that this year too the Dutch Royal Family intends to spend its winter vacation in that famous winter resort. The exact date of their arrival is not yet known.

"A CENTURY OF AUSTRIAN POSTAGE STAMPS" EXHIBITION HELD IN VIENNA. The Association of Austrian Philatelic Clubs is organizing an exhibition entitled "A Century of Austrian Postage Stamps" at the Vienna Stock Exchange from December 1 to the 10th, on the occasion of the centenary of the first Austrian postage stamp. The exhibition will cover all aspects of Austrian philately and will feature original editions in assortments never before placed on public display. There will also be a stamp auction at which a number of philatelic rarities will be offered for sale.

AUSTRO-BRAZILIAN SOCCER ENCOUNTER. On November 15 a jam-packed Vienna Stadium of 65,000 soccer enthusiasts saw Austria's leading soccer team, "Rapid", beat the Brazilian team, "Atlético Mineiro", 3 to 0 after having taken a commanding 2 to 0 lead in the first half.

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